UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-KSB

Amendment #1

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended __December 31, 2002__

[ ] TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from ________________ to ________________

Commission file number 001-15665

ETI Corporation
(Name of small business issuer as specified in its charter)

9 Forest Road
Kirkland, Quebec H9J 3A2, Canada
(514) 426-2977
(Address of principal executive office & telephone number)

Nevada	**88-0389393**
(State of incorporation)	(IRS Employer Identification #)

Securities registered under Section 12(b) of the Exchange Act: None

Securities registered under Section 12(g) of the Exchange Act: Common Stock, par value $.001 per share

[X] Check whether the issuer (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

[ ] Check if disclosure of delinquent filers in response to Item 405 of Regulation SB is not contained in this form, and no disclosure will be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB.

State issuer's revenues for the most recent fiscal year: $0

The aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was sold is $5,719 as of December 31, 2002.

The number of shares outstanding of ETI Corporation common stock is 5,750,700 as of December 31, 2002.

Documents Incorporated by Reference

ETI Corporation incorporates by reference to Part III of this Form 10-KSB, the registrant's Registration Statement filed on Form 10-SB, and exhibits thereto, filed February 4, 2000 under the Securities Act of 1933

Transitional Small Business Disclosure Format (check one): [X] Yes [ ] No

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Part III

Description of Business

ETI Corporation was incorporated in Nevada on March 23, 1998, as Make It Happen Management. In May of 2000 the company changed its name to e-Channels Corporation. In December of 2001 e-Channels Corporation entered into a letter of intent to acquire a Canadian company, ETI, Expertise Technology Innovation Corporation. In anticipation of the business combination, e-Channels Corporation held a shareholders meeting whereby certain actions were taken; including, changing the company name to ETI Corporation, and increasing the authorized shares of common stock in the corporation to 100,000,000.

ETI Corporation, a development stage company, has had limited business operations since its inception and has incurred operating losses to date. ETI Corporation's management has realized a need to raise funds in order to meaningfully proceed with business plan implementation. In fiscal year 2002, management has been primarily focusing on exploring opportunities that would enhance shareholder value, and has been aggressively evaluating and pursuing an opportunity for a business combination or acquisition.

ETI Corporation has presently suspended operations. Marketing plans and pricing structures are suspended and will be revised when the company's business direction and or objectives are revisited. Cash requirements are currently being met by a shareholder, although no commitment to continue such support exists. Any further operations of the company may require the need to raise additional funds.

The board of directors of ETI has agreed, by nonbinding letter of intent, to acquire UC Hub in a two step transaction where ETI will complete a one (1) for four (4) reverse share split reducing its outstanding shares to approximately 1,437,692 shares. UC Hub shareholders will receive issue14, 000,000 shares of its common stock and 2,600,000 shares of Series A Preferred Stock. Additionally, holders of 1,400,000 warrants of UC Hub shall receive the same number of warrants of the Company with comparable exercise prices and other terms.

Employees

ETI Corporation currently has one employee; he is the sole officer and director of the company.

Mr. Paul Lanham, President; responsibilities include supervision of day-to-day operations, including establishing business direction and plans.

Description of Properties

ETI Corporation executive and business offices are located at 9 Forest Road, Kirkland, Quebec H9J 3A2, Canada; and are being provided by the president of ETI Corporation at no charge to the company.

Directors, Executive Officers, and Significant Employees

The following information sets forth the names of the officers and directors of ETI Corporation.

Paul Lanham
Mr. Lanham is currently the President and a member of the Board of Directors.

Remuneration of Directors and Officers

None of the officers or directors of ETI Corporation were paid any compensation in fiscal year 2002.
Currently, ETI Corporation has no plans to pay any compensation to officers or directors in fiscal year 2003.

Security Ownership of Certain Beneficial Owners and Management

The following set forth; as of December 31, 2002; the beneficial ownership of ETI Corporation common stock by each person known to the company to beneficially own more than five percent (5%) of the company's common stock, including options, outstanding as of such date and by the officers and directors of the company as a group.
Except as otherwise indicated, all shares are owned directly.

Title of Class	Name and Address of Beneficial Owner	Number of Shares	Percentage of Class
Common Stock	Paul Lanham 1 Starcher Place Ripley, WV 25271	41,668	0.7
Common Stock	Serge Trudeau 290 Elgar apt. 211 Montreal, QC	483,334	8.4
Total Shares of 5% or more Beneficial Ownership		483,334	8.4
Total Shares of Officers and Directors as a Group		41,668	0.7
Total Shares Issued and Outstanding		5,750,700	

Interest of Management and Others in Certain Transactions

On October 1, 2000, the Company issued 500,000 shares of its common stock in exchange for a 51% interest in Black Lake, Inc. The Company valued its interest in Black Lake at $500, the par value of the shares issued. Black Lake is in the development stage and has had no significant operations through fiscal year 2002.

Also in October 2000, the Company issued options to the two founders of Black Lake, Inc. for each to acquire 25,000 shares of the Company's common stock each year for the next five years. The options vest at the end of each fiscal year at an exercise price of $1.00 per share contingent upon Black Lake earning a net profit of $50,000 per year. As Black Lake's net profit was less then $50,000 in each of the two years ended December 31, 2001; the options did not vest and effective April 1, 2002 these options were cancelled.

Compensation to the two founders of Black Lake amount to $10,000 a month each commencing in October 2000, through September 2005. In addition to the base compensation, the founders also receive 10% of the gross profit derived from revenues generated by Black Lake, except for any proceeds received through the sale of Black Lake or the sale of Company stock. As of December 31, 2001 and March 31, 2002, the total amount due these two officers was $300,000 and $360,000, respectively.

Market Price of Dividends on Common Equity and Other Shareholder Matters

There is currently a limited public market for the company's stock, as it is listed on the OTC Bulletin Board under the symbol “ETIE”. The quotations provided are for the over the counter market which reflect interdealer prices without retail mark-up, mark-down or commissions, and may not represent actual transactions. The bid prices included below have been obtained from sources believed to be reliable:

Period Ending	High	Low
April 8, 2003	$0.01	$0.01
December 20, 2002	$0.00	$0.00
September 24, 2002	$0.03	$0.02
June 11, 2002	$0.03	$0.03
March 18, 2002	$0.20	$0.20
December 20, 2001	$0.75	$0.25
September 20, 2001	$0.21*	$0.18*
June 29, 2001	$0.36*	$0.27*

* Adjusted to reflect a three for one stock split effective December 19, 2001

The company has never paid dividends. At present, the company does not anticipate paying any dividends on its common stock in the foreseeable future and intends to devote any earnings to the development of the company's business.

Holders

ETIE had 5,750,700 shares of common stock issued and outstanding as of December 31, 2002, which were held by approximately 49 shareholders.

Legal Proceedings

ETI Corporation has never been in bankruptcy, receivership or any similar legal proceeding, and is not subject to any pending legal proceedings. ETI Corporation is not aware of any threatened legal proceedings. The foregoing is also true with respect to each officer, director and control shareholder as well as any entity owned by any officer, director and control shareholder, over the last five years.

Changes In and Disagreements With Accountants on Accounting and Financial Disclosure

The company has had no change in or disagreements with its accountants since inception.

Submission of Matters to a Vote of Security Holders

None in fiscal year 2002.

Compliance with Section 16(a) of the Exchange Act

Section 16(a) of the Securities Exchange Act of 1934 requires the company’s directors and officers, and persons who own more than ten-percent (10%) of the company’s common stock, to file with the Securities and Exchange Commission reports of ownership on Form 3 and reports of change in ownership on Forms 4 and 5. Such officers, directors and ten-percent stockholders are also required to furnish the company with copies of all Section 16(a) reports they file. Based solely on its review of the copies of such forms received by the company and on written representations from certain reporting persons, the company believes that all Section 16(a) reports applicable to its officers, directors and ten-percent stockholders with respect to the fiscal year ended December 31, 2002 were filed.

Reports on Form 8-K

None during fiscal year 2002.

Financial Statements

Contents

Independent Auditors' Report

Board of Directors
ETI Corporation
(Formerly e-Channels Corporation)
Quebec, Canada

I have audited the accompanying consolidated balance sheets of ETI Corporation (A Development Stage Company) as of December 31, 2001, and 2002, and the related consolidated statements of operations, cash flows, and stockholders' equity (deficit) for the two years ended December 31, 2002, and for the period from the Company's inception (March 23, 1998) through December 31, 2002. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on our audits.

I conducted my audits in accordance with auditing standards generally accepted in the United States. These standards require that I plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ETI Corporation, as of December 31, 2001 and 2002, and the related statements of operations, cash flows, and stockholders' equity (deficit) for the two years ended December 31, 2001, and for the period from the Company's inception (March 23, 1998) through December 31, 2001, in conformity with accounting principles generally accepted in the United States.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As shown in the financial statements, the Company incurred a net loss of $62,066 during the year ended December 31, 2002, and, as of that date, had a working capital deficiency of $374,005, and a net deficit of $374,005. These continued losses raise substantial doubt about the Company's ability to continue as a going concern. Management's plans regarding those matters also are described in Note 6. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Jonathon P. Reuben C.P.A.

Jonathon P. Reuben,
Certified Public Accountant
23440 Hawthorne Blvd. Suite 270
Torrance, California 90505
April 12, 2003

ETI Corporation
(A Development Stage Company)

CONSOLIDATED BALANCE SHEETS

	December 31, 2001	December 31, 2002
Assets		
Current Assets		
Cash and cash equivalents	$ -	$ -
Loan receivable - related party	295	295
Prepaid expenses	1,481	415
Total Assets	$ 1,776	$ 710
Liabilities and Stockholders' Equity		
Current Liabilities		
Loans payable - related party	$ 13,715	$ 374,715
Officers' compensation payable	300,000	-
Total Current Liabilities	313,715	374,715
Minority Interest in Consolidated Subsidiary	-	-
Stockholders' Equity (Deficit)		
Common Stock, par value $.001 per share; authorized 100,000,000 shares; issued and outstanding 5,750,700 shares as of December 31, 2002 and December 31, 2001	5,750	5,750
Additional Paid-in Capital	270,750	270,750
Deficit Accumulated During Development Stage	(588,439)	(650,505)
Total Stockholders' Equity (Deficit)	(311,939)	(374,005)
Total Liabilities and Stockholders' Equity	$ 1,776	$ 710

The accompanying notes are an integral part of these financial statements.

ETI Corporation
(A Development Stage Company)

CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Year Ended December 31, 2001	For the Year Ended December 31, 2002	From Inception (March 23, 1998) Through December 31, 2002
Income	$ -	$ -	$ -
Operating expenses	(364,509)	(62,066)	(650,505)
Minority interest in consolidated loss	-	-	-
Net Loss	$ (264,509)	$ (62,066)	$ (650,505)
Basic Loss Per Share:			
Loss from operation	$ (0.06)	$ (0.01)	
Weighted Average Common Shares Outstanding	5,741,61	5,741,461	

The accompanying notes are an integral part of these financial statements.

ETI Corporation
(A Development Stage Company)

STATEMENTS OF STOCKHOLDERS' (DEFICIT)
FROM THE COMPANY'S INCEPTION (MARCH 23, 1998) THROUGH DECEMBER 31, 2002

	Common Stock		Paid-In	Deficit Accumulated During the Development
	Shares	Amount	Capital	Stage
Shares issued for services - March 1998	333,333	$ 333	$ 7,667	$ -
Shares issued for cash - April 1998	3,333,333	3,333	96,667	-
Shares issued for cash - July 1998	100,000	100	2,900	-
Shares issued for cash - October 1998	666,667	667	19,333	-
Shares issued for cash - November 1998	166,667	167	4,833	-
Shares issued for cash - December 1998	80,000	80	2,320	-
Net loss from the Company's inception (January 14, 1998) through December 31, 1998	-	-	-	(141,014)
Balance - December 31, 1998	4,680,000	$ 4,680	$ 133,720	$ (141,014)
Shares issued for cash - April 1999	666,667	667	19,333	-
Shares issued in exchange for cancellation of indebtedness - May 1999	200,000	200	5,800	-
Net loss for the year ended December 31, 1999	-	-	-	(14,382)
Balance - December 31, 1999	5,546,667	$ 5,547	$ 158,853	$ (155,396)
Shares issued in exchange for 51% interest in Black Lake, Inc.	166,667	166	(166)	-
Net loss for the year ended December 31, 2000	-	-	-	(68,534)
Balance - December 31, 2000	5,713,333	$ 5,713	$ 158,687	$ (223,930)
Shares issued for services	37,367	37	112,063	-
Net loss for the year ended December 31, 2001	-	-	-	(364,509)
Balance - December 31, 2001	5,750,700	$ 5,750	$ 270,750	$ (588,439)
Balance - December 31, 2002	5,750,700	$ 5,750	$ 270,750	$ (588,439)

The accompanying notes are an integral part of these financial statements.

ETI Corporation
(A Development Stage Company)

CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Year Ended December 31, 2001	December 31, 2002	From Inception (March 23, 1998) Through December 31, 2002
Cash Flows from Operating Activities			
Net loss	$ (364,509)	$ (62,066)	$ (650,505)
Adjustments to reconcile net loss to net cash used in operating activities:			
Consulting services	112,100	-	125,100
Officers' compensation	240,000	60,000	360,000
Offering costs charged to operations	-	-	-
(Increase) in prepaid expenses	(1,481)	-	(1,481)
(Increase) Decrease in accounts payable	-	-	-
(Increase) Decrease) in loans payable	13,715	-	13,715
Net cash used in operating activities	(175)	(2,066)	(153,171)
Cash Flows from Financing Activities			
Gross proceeds from private offerings	-	-	150,400
Deferred offering costs	-	-	-
Loans from related parties	-	2,066	13,066
Repayments to related parties	-	-	(10,000)
Loans to related parties	-	-	(32,295)
Repayments from related parties	-	-	32,000
Net cash provided by (used in) financing activities	-	2,066	153,171
Net Increase (Decrease) in Cash and Cash Equivalents	$ (175)	-	-
Beginning Balance - Cash and Cash Equivalents	175	-	-
Ending Balance - Cash and Cash Equivalents	$ 0	$ -	$ -

The accompanying notes are an integral part of these financial statements.

ETI Corporation
(A Development Stage Company)

CONSOLIDATED STATEMENTS OF CASH FLOWS

Supplemental Schedules To Statement Of Cash Flows

Cash Paid For:

	For the Year Ended December 31, 2001	For the Year Ended December 31, 2002	From Inception (March 23, 1998) Through December 31, 2002
Interest Expense	$ -	$ -	$ -
Income Taxes	$ -	$ -	$ -

Non-cash Investing and Financing Activities:

During the third quarter ended September 30, 2002, the Company and its former officers agreed to cancel an agreement that was entered into in October 2000. Under the terms of the agreement, compensation had been accruing and was owed to former officers at the time the agreement was cancelled. This obligation was terminated as of April 1, 2002. Accrued compensation, which amounted to $360,000, had been assigned to a shareholder.

The accompanying notes are an integral part of these financial statements.

Notes to Financial Statements

Note 1 - Organization

e-Channels Corporation (the "Company") was originally incorporated in Nevada on March 23, 1998 under the name of Make it Happen Management. . On May 23, 2000, the Company changed its name to e-Channels Corporation. In December 2001, the Company again changed its name to ETI Corporation. The Company currently has no operations and is actively seeking an on-going business to acquire.

The Company is in the development stage, as defined in FASB Statement 7. The Company has not paid any dividends and dividends that may be paid in the future will depend on the financial requirements of the Company and other relevant factors.

On November 11, 2000, the Company acquired a 51% interest in Black Lake, Inc., a Nevada Corporation incorporated on October 11, 2000. Black Lake is in the development stage and has not commenced operations. Black Lake has planned principle operations pertaining to artist representation and management. Through 2001, Black Lake has had virtually no activity.

In December 2001, the Company authorized a 3 to 1 reverse stock split. For financial statement reporting purposes, all stock transactions have been restated to reflect the reverse stock split as if it occurred at the inception of the Company.

Also in December 2001, the Company’s board of directors authorized that the Company change its name to ETI (Expertise Technology Innovation) Corporation. The board of directors also authorized an increase to the Company’s authorized capital to 100,000,000 shares. The amendment to the articles has been prepared and filed with the Secretary of State in early 2002.

Effective April 1, 2002, the Company cancelled its agreement with Black Lake and its shareholders and officers and returned all shares it held in Black Lake.

Note 2 - Summary of Significant Accounting Policies

a. Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Company and its majority owned subsidiary, Black Lake, Inc. Intercompany transactions and balances have been eliminated in consolidation.

b. Net Loss Per Share

The Company adopted the provisions of Statement of Financial Accounting Standards (“SFAS”) No. 128, “Earnings Per Share” that established standards for the computation, presentation and disclosure of earnings per share (“EPS”), replacing the presentation of Primary EPS with a presentation of Basic EPS. It also requires dual presentation of Basic EPS and Diluted EPS on the face of the income statement for entities with complex capital structures. Basic EPS is based on the weighted average number of common shares outstanding during the period.

c. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

d. Issuances Involving Non-cash Consideration

All issuances of the Company’s stock for non-cash consideration have been assigned a dollar amount equaling either the market value of the shares issued or the value of consideration received, whichever is more readably determinable. The majority of the non-cash consideration received pertains to consulting services rendered by consultants and others.

e. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Company considers cash and cash equivalents to include all stable, highly liquid investments with maturities of three months or less.

f. Fair Value of Financial Instruments

As of December 31, 2001 and 2002, the Company had financial instruments consisting of a loan receivable. The carrying value of the Company’s financial instruments, based on current market and other indicators, approximate their cost bases.

g. Income Taxes

Income taxes are provided based on earnings reported for financial statement purposes. In accordance with FASB Statement No. 109, the asset and liability method requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of temporary differences between tax bases and financial reporting bases of assets and liabilities.

h. New Accounting Pronouncements

In June 2001, SFAS No. 141, "Business Combinations," was issued. This statement eliminates pooling of interests accounting and requires all business combinations initiated after June 30, 2001 to be accounted for using the purchase method. The Company has adopted this standard and its adoption of this standard has no significant effect on the Company's financial statements.

In June 2001, SFAS No. 142, "Goodwill and Other Intangible Assets," was issued establishing accounting and reporting standards that address how goodwill and intangible assets should be accounted for within the financial statements. The statement requires companies to not amortize goodwill and intangible assets with infinite lives, but to test such assets for impairment on a regular basis. An intangible asset that has a finite life should be amortized over its useful life and evaluated for impairment on a regular basis. This statement is effective for fiscal years beginning after December 15, 2001. The Company has adopted the standard and its adoption has no significant effect on the Company's financial statements.

In August 2001, SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets," was issued establishing new rules and clarifying implementation issues with SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of, "by allowing a probability-weighted cash flow estimation approach to measure the impairment loss of a long-lived asset. The statement also established new standards for accounting for discontinued operations. Transactions that qualify for reporting in discontinued operations include the disposal of a component of an entity's operations that comprises operations and cash flow that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the entity. The statement is effective for fiscal years beginning after December 15, 2001. The Company adopted this standard and its adoption has no significant effect on the Company's financial statements.

In April 2002, SFAS No. 145, "Rescission of FASB Statements No. 4, 44, and 64, Amendment of FASB Statement No. 13, and Technical Corrections", was issued. This Statement rescinds FASB Statement No. 4, "Reporting Gains and Losses from Extinguishment of Debt", and an amendment of that Statement, FASB Statement No. 64, "Extinguishments of Debt Made to Satisfy Sinking-Fund Requirements". This Statement also rescinds FASB Statement No. 44, "Accounting for Intangible Assets of Motor Carriers". This Statement amends FASB Statement No. 13, "Accounting for Leases", to eliminate an inconsistency between the required accounting for sale-leaseback transactions and the required accounting for certain lease modifications that have economic effects that are similar to sale-leaseback transactions. This Statement also amends other existing authoritative pronouncements to make various technical corrections, clarify meanings, or describe their applicability under changed conditions. The adoption of SFAS No. 145 had no effect on the financial position and results of operations of the Company.

In June 2002, SFAS No. 146, "Accounting for Costs Associated with Exit or Disposal Activities", was issued which nullifies Emerging Issues Task Force (EITF) Issue No. 94-3, "Liability Recognition for Certain Employee Termination Benefits and Other Costs to Exit and Activity (including Certain Costs Incurred in a Restructuring"). The adoption of SFAS No. 146 had no effect on the financial position and results of operations of the Company.

SFAS No. 130, “Reporting Comprehensive Income”, establishes standards for reporting and displaying comprehensive income and its components in financial statements. The Company adopted the provisions of SFAS No. 130 in 1998, but had no elements of comprehensive income for the periods presented.

SFAS No., 131, “Disclosures About Segments of an Enterprise and Related Information”, establishes a new model for segment reporting, called the “management approach” and requires certain disclosures for each segment. The management approach is based on the way the chief operating decision-maker organizes segments within a company for making operating decisions and assessing performance. The Company adopted the provisions of SFAS No. 131 in 1998, but currently operates in one industry segment.

Note 3 - Related Party Transactions

a. The Company issued 7,800,000 shares of its common stock to its President, Majestik Magnificent in consideration for providing marketing services to the Company. The shares issued have been valued at par. These shares were returned to the Company in June 2000, and were subsequently cancelled.

   From its inception (March 23, 1998) through December 31, 2000, Mr. Magnificent has received $56,500 in compensation and $19,000 for marketing and other related services.

b. Mrs. Mary Writer, Secretary and Treasurer of the Corporation, received 500,000 shares of common stock in consideration for providing consulting services. The shares issued have been valued at $4,000.

c. Mr. David Spoon, a Board Member, received 500,000 shares of common stock in consideration for providing consulting services. The shares issued have been valued $4,000.

d. As of December 31, 2002, the Company was owed $295 by a related party. The loan was non-interest bearing and due on demand.

e. As of December 31, 2002, the Company owes a family member of its President $14,715 for Company expenses paid directly by him. In addition, under the terms of the cancellation agreement with Black Lake and its officers, accrued compensation due the two officers of Black Lake were assigned to this individual.

Note 4 - Income Taxes

Income taxes are provided based on earnings reported for financial statement purposes pursuant to the provisions of Statement of Financial Accounting Standards No. 109 ("FASB 109").

FASB 109 uses the asset and liability method to account for income taxes which requires the recognition of deferred tax liabilities and assets for the expected future tax consequences of temporary differences between tax basis and financial reporting basis of assets and liabilities.

As of December 31, 2002, the Company has unused operating loss carryforwards, which may provide future tax benefits in the amount of approximately $468,000 that expires in various years throughout 2021.

An allowance has been provided for by the Company of $364,509 in 2001 and $62,066 in 2002, which reduced the tax benefits accrued by the Company for its net operating losses to zero, as it cannot be determined when, or if, the tax benefits derived from these operating losses will materialize.

Note 5 - Transactions with Management

In October 2000, the Company issued options to the two founders of Black Lake, Inc.for each to acquire 25,000 shares of the Company’s common stock each year for the next five years. The options vest at the end of each fiscal year at an exercise price of $1.00 per share contingent upon Black Lake earning a net profit of $50,000 per year. As Black Lake’s net profit was less then $50,000 in each of the two years ended December 31, 2001; the options did not vest and effective April 1, 2002 were cancelled

Compensation to the two founders of Black Lake amount to $10,000 a month each commencing in October 2000, through September 2005. In addition to the base compensation, the founders also receive 10% of the gross profit derived from revenues generated by Black Lake, except for any proceeds received through the sale of Black Lake or the sale of Company stock. As of December 31, 2001, and March 31, 2002, the total amount due these two officers was $300,000, and $360,000, respectively. Under the terms of the cancellation agreement with Black Lake, the $360,000 accrued compensation was assigned to a shareholder (see Note 4).

Note 6 - Management's Plans Regarding Future Operations

The Company has continued losses for the past several years. The majority of the Company's 2001 operating loss of $364,509 and 2002 operating loss of $62,066, relate to the accrual of compensation that was due the management of Black Lake, Inc. Black Lake had no significant operations and the Company's management settled with Black Lake and cancelled its obligation to Black Lake's management. Although this obligation is now owed to a shareholder of the Company, it no longer continues to accrue. Currently, the Company is seeking an ongoing business to acquire.

Index to Exhibits

Charter and By-laws

The company incorporates by reference the exhibit 3(a) Articles of Incorporation and the exhibit 3(b) By-laws, filed with the Company's Form 10-SB on February 4, 2000.

ETI Corporation includes herewith Certificate of Amendment to Articles of Incorporation as filed with the Securities and Exchange Commission on the date hereof, April 16, 2003.

Certification

ETI Corporation includes herewith Certification of President and Principal Accounting Officer.

Description of Exhibits

Exhibit Number	Description
03	Certificate Amendment to Articles of Incorporation - Change in the Name of the Corporation, as filed on the date hereof, April 16, 2003
99	Certification of President and Principal Accounting Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

Controls and Procedures

ETI Corporation management, including the Principal Executive Officer and Principal Financial Officer, have conducted an evaluation of the effectiveness of disclosure controls and procedures pursuant to Exchange Act Rule 13a-14(c) and 15d-14(c). This evaluation was conducted within 90 days prior to the filing of this report. Based on that evaluation, the Principal Executive Officer and Principal Financial Officer concluded that the disclosure controls and procedures are effective in ensuring that all material information required to be filed in this annual report has been made known to them in a timely fashion. There have been no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date the Principal Executive Officer and Principal Financial Officer completed their evaluation.

Signatures

In accordance with the Section 13 or 15(d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ETI Corporation
(Registrant)

Date April 23, 2003

/S/ Paul Lanham
(Paul Lanham, President/Chairman of the Board)

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

ETI Corporation
(Registrant)

Date April 23, 2003

/S/ Paul Lanham
(Paul Lanham, President/Chairman of the Board)

CERTIFICATION

I, Paul Lanham, certify that:

1. I have reviewed this annual report on Form 10-KSB of ETI Corporation;

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:

   a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

   b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report (the "Evaluation Date"); and

   c) presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officer and I have indicated in this annual report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: April 23, 2003

/s/ Paul Lanham.
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Paul Lanham
Principal Executive Officer and Principal Accounting Officer